

For: General American Investors Company, Inc.
100 Park Avenue
New York, New York 10017

Company Contact: Eugene S. Stark
Vice-President, Administration
(212) 916-8447

January 16, 2008

For Immediate Release

**GENERAL AMERICAN INVESTORS COMPANY
ANNOUNCES ACTIONS TAKEN BY THE BOARD OF DIRECTORS**

**COMMON STOCK – SPILL-OVER DIVIDEND AND DISTRIBUTION
THROUGH DECEMBER 31, 2007**

PREFERRED STOCK - FIRST QUARTER DIVIDEND AND DISTRIBUTION

**EXTENSION OF REPURCHASE PROGRAM FOR ADDITIONAL
300,000 OUTSTANDING SHARES OF COMMON STOCK**

ANNUAL SHAREHOLDER MEETING

NEW YORK - Jan. 16 – The Board of Directors of General American Investors Company, Inc. (NYSE symbol – GAM), a closed-end investment company, declared a spill-over dividend and distribution on its common stock totaling \$0.215294 per share for 2007 as follows:

- A Capital Gain Distribution of \$0.209479 per share from net long-term profits on securities sold during the period November 1, 2007 through December 31, 2007. This is long-term capital gain and is expected to be taxable as capital gain income.
- An Income Dividend of \$0.005815 per share from accumulated undistributed income.

The dividend and distribution is payable in cash on February 11, 2008 to stockholders of record on January 28, 2008 and is to be included in stockholder's federal income tax returns for 2008.

The Board of Directors also declared on its 5.95% cumulative preferred stock, series B, a dividend and distribution of \$0.371875 per share payable in cash on March 24, 2008 to holders of record on March 7, 2008. This quarterly dividend and distribution represents a payment for the accrual period from December 24, 2007 through March 23, 2008. Preferred shareholders will be informed in early 2009 of the taxable portions of the distribution.

The Board of Directors also authorized the repurchase of an additional 300,000 outstanding shares of common stock when the shares are trading at a discount from the underlying net asset value of at least

8%. This continues a repurchase program which began in March 1995. During the past 12³/₄ years, the Company has repurchased 13.8 million shares of Common Stock for \$391 million at an average discount of 11.7%. Included in those totals is activity for 2007, during which the Company repurchased 763,600 shares for approximately \$30.3 million at an average discount of 10.4%.

Finally, the Board of Directors wishes to announce that the annual shareholder meeting will be held in New York City on April 16, 2008 for shareholders of record on February 19, 2008.

General American Investors was founded in 1927, has been publicly traded since its inception and has been listed on the NYSE since 1930. The objective of the Company is long-term capital appreciation through investment in companies with above average growth potential. The Company has total net assets of approximately \$1.1 billion applicable to its 31.6 million shares of common stock outstanding. The aggregate liquidation value of the Company's preferred stock is \$200 million. Its preferred shares (symbol GAM Pr B) are also listed on the NYSE.

###